AMENDMENTS TO THE CLAIMS:

This listing of claims will replace all prior versions, and listings, of claims in the application:

1. (currently amended) A method of operating a communications network, including:

automatically varying at a customer terminal, depending on network loading as detected at the customer terminal, a tariff for network usage by the customer terminal, the network loading being indicative of a current status of network congestion as detected at the customer terminal; and

calculating a charge for the network usage by the customer terminal using the tariff.

- 2. (currently amended) A method according to claim 1, <u>further</u> including detecting at the customer terminal a network performance parameter which depends on network loading, and varying the tariff depending on the network performance parameter.
- 3. (original) A method according to claim 2, in which the network is a packet network and the network performance parameter is the number of packets lost in transmission between a data source and the customer terminal.

- 4. (currently amended) A method according to claim 1, <u>further</u> including detecting a congestion signal at the customer terminal and varying the tariff in response to the congestion signal.
- 5. (currently amended) A method according to claim 4, <u>further</u> including reading a congestion signal at the customer terminal from a data packet received at the customer terminal.
- 6. (currently amended) A method according to claim 4, <u>further</u> including generating a congestion signal at a router in the network in response to the detection of congestion at the router.
- 7. (currently amended) A method according to claim 1, wherein automatically varying the tariff at the customer terminal includes including making a first relatively smaller increase in the tariff when congestion is first detected, and making at least one further, relatively larger increase, if the congestion persists.
- 8. (currently amended) A method according to claim 1, <u>further</u> including programming a decision agent at the customer terminal with user-

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determined price criteria, and comparing a price calculated using the tariff with the said-price criteria.

- 9. (currently amended) A method according to claim 1, <u>further</u> including distributing a tariff algorithm via the communications network to a plurality of terminals and calculating at each terminal, using the tariff, a charge for network usage by the terminal.
- 10. (previously presented) A method according to claim 9, further comprising steps, carried out by a network operator, of:

intermittently sampling traffic between the customer terminal and the network, and as part of the sampling, recording network loading affecting the customer terminal; and

for the sampled traffic, comparing a charge calculated by the customer terminal and an expected charge and detecting thereby any discrepancy.

11. (previously presented) A method according to claim 1, in which when the customer terminal detects congestion in data transmitted to the customer terminal from a data source via the network, the customer terminal returns a congestion notification signal to the data source.

- 12. (currently amended) A method according to claim 1, <u>further</u> including at a customer terminal, selecting a period of time for which the tariff is to be fixed and paying a premium depending on the duration of the said-period.
- 13. (currently amended) A method of operating a communications network including:

applying to customer terminals a tariff for network usage by each of the customer terminals;

<u>locally</u> varying the tariff <u>at one or more of the customer terminals</u> with time;

calculating a charge for network usage by the one or more of the customer terminals using its locally varying tariff;

at the one or more of the a-customer terminals, selecting a period of time for which the tariff is to be fixed; and

paying a premium depending on the duration of the said-period.

14. (currently amended) A communications network including:

means for detecting network loading locally at a customer terminal, the

network loading being indicative of a current status of network congestion as

detected locally at the customer terminal; and

means responsive to the said-means for detecting arranged automatically to

terminal using the tariff.

vary a tariff for network usage by the customer terminal; and

means for calculating a charge for the network usage by the customer terminal using the tariff.

15. (currently amended) A customer terminal for use in a communications network, the customer terminal including:

means for detecting a local amount of loading of a network, which is indicative of a current status of network congestion perceived by the customer terminal, to which, in use, the customer terminal is connected;

means responsive to the said-means for detecting and arranged automatically to vary a tariff for network usage by the customer terminal;

means for calculating a charge for the network usage by the customer

16. (currently amended) A customer terminal for use in a communications network, the customer terminal including one or more processors arranged to carry out the following steps in sequence:

indicative of a current status of network congestion perceived by the customer terminal, to which the customer terminal is connected; and automatically varying in dependence on the detected loading a tariff for

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network usage by the customer terminal;

calculating a charge for the network usage by the customer terminal using the tariff.

- 17. (previously presented) A method according to claim 1, in which the tariff is varied only if the terminal fails to reduce its output in response to detected congestion.
- 18. (previously presented) A method as in claim 1, wherein the customer terminal is one of a mobile telephone, an intelligent phone and a personal computing device.
- 19. (previously presented) A method as in claim 18, wherein the customer terminal is one of a mobile telephone, an intelligent phone and a personal computing device.
- 20. (previously presented) A communications network as in claim 13, wherein the customer terminal is one of a mobile telephone, an intelligent phone and a personal computing device.
 - 21. (previously presented) The customer terminal in claim 15, wherein

the customer terminal is one of a mobile telephone, an intelligent phone and a personal computing device.

- 22. (previously presented) The customer terminal as in claim 16, wherein the customer terminal is one of a mobile telephone, an intelligent phone and a personal computing device.
- 23. (currently amended) A method of operating a communications network having a global amount of network loading, the method comprising:

detecting a local observation of the network loading at a customer terminal, the local observation of the network loading being indicative of a current status of network congestion perceived by the customer terminal;

automatically adjusting a tariff for usage of the communications network based on the detected local observation of the network loading at the customer terminal;

calculating a charge for the network usage by the customer terminal using the tariff.

24. (previously presented) A method as in claim 23, wherein the customer terminal is one of a mobile telephone, an intelligent phone and a personal computing device.

25. (previously presented) A method as in claim 23, wherein detecting the local observation includes the customer terminal counting the number of data packets sent or received across a network interface with the customer terminal.